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October 3, 2019

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

Re: Application of JACABB Utilities, LLC to Request to Establish Sewer Pass-Through Rates for JACABB Utilities, LLC and Approval of a Water System and Sanitary Sewerage Asset Purchase Agreement with Triangle Real Estate to Serve Rosewood at Clemson Development in the City of Clemson, South Carolina
Docket No. 2019-189-WS

Dear Ms. Boyd:

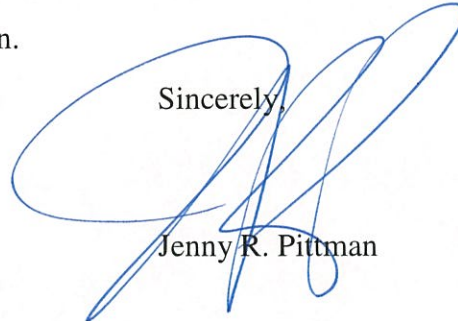
Pursuant to Commission Order No. 2019-677, ORS provides this letter regarding the adequacy of JACABB's current water utility performance bond. ORS reviewed materials provided through discovery that show JACABB's total anticipated expenses, including state and federal income taxes, related to the expansion sought in this Docket are \$16,203. ORS further reviewed the 2018 Water Annual Report which indicated total Company expenses of \$248,991. Based on JACABB's current operating conditions and estimated expenses, JACABB should have a minimum surety of \$265,194 in place for Performance Bond requirements. ORS believes the bond in the amount of \$275,000 is sufficient and complies with S.C. Code Ann. § 58-5-720 and S.C. Code Ann. Regs. 103-712.3 and 103-712.3.1. Attached to this letter is Exhibit DMH-2, which

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shows the calculations ORS used to conclude that JACABB's current water utility performance bond meets the Commission's rules and regulations.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to be 'Jenny R. Pittman', is written over the word 'Sincerely,'. The signature is stylized with large loops and a long horizontal stroke.

Jenny R. Pittman

Encl.

cc: Joseph Melchers, Esquire (via E-Mail)
Steve Eakes, Esquire (via E-Mail and U.S. Mail)
Stephen Goldie (via E-Mail and U.S. Mail)